

New Mexico State University

ARROWHEAD CENTER

LEADING ECONOMIC DEVELOPMENT FOR NEW MEXICO STATE UNIVERSITY



Operations Plan for Support Network Development

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Live, Learn and Thrive

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Operations Plan for Support Network Development

1.0 Introduction

This report describes the operational processes and strategies that are building a support network for the National Security Technology Incubator (NSTI) program. The NSTI program currently is under development as part of the National Security Preparedness Project (NSPP), funded by Department of Energy (DOE)/National Nuclear Security Administration (NNSA) Grant No. DE-FG52-07NA28084. This document is a deliverable due June 30, 2008, as performance measure 1.3.5 of Grant No: DE-FG52-07NA28084¹.

Although the NSTI program offers a wide array of in-house business services, there are a certain number of services that will be provided by entities outside of Arrowhead Center. This reality was previously identified during the NSTI planning process, and, therefore, deliverables were compiled that identified key stakeholders and external service providers (ESPs) of the NSTI program. Now that these deliverables have been compiled, Arrowhead is taking the steps needed to develop an appropriate support network. These steps are vital in order to efficiently make these external services available to NSTI program participants. The purpose of this deliverable is to document the operating plan being deployed to develop the support network. Arrowhead is working with ESPs and key stakeholders to establish feasible referral and implementation mechanics offering NSTI program participants the most comprehensive incubation services possible.

2.0 Step One: Review External Service Providers

A review of key stakeholders was completed in January 2008 as deliverable 1.4.1. The stakeholders were divided into two categories; those in the area of technological advancement and those in the area of economic development. The technological advancement key stakeholders include:

- Physical Science Laboratory, Las Cruces, NM
- White Sands Missile Range, NM
- Holloman Air Force Base, Alamogordo, NM
- Kirkland Air Force Base, Albuquerque, NM
- Sandia National Laboratories, Albuquerque, NM
- Los Alamos National Laboratories, Los Alamos, NM
- Fort Bliss Army Base, El Paso, TX
- Spaceport America, Upham, NM
- U.S. Border Patrol, Las Cruces, NM

The NSTI program is growing in size, scope, and maturity. Continued evolution of the program will generate far reaching effects on local and regional economies and on continuing rates of economic development. For these reasons, key stakeholders representing these socioeconomic concerns include:

- New Mexico State University, Las Cruces, NM
- Mesilla Valley Economic Development Alliance (MVEDA), Las Cruces, NM
- Greater Las Cruces Chamber of Commerce, Las Cruces, NM
- Hispano Chamber of Commerce, Las Cruces, NM
- New Mexico Economic Development Department, Santa Fe, NM

¹ Arrowhead Center (2007). Arrowhead center proposal. p. 15.

- Bi-National Sustainability Laboratory, Santa Teresa, NM

The key stakeholders are an important part of the NSTI program's support network in that they are a key source of referrals. Because all of the key stakeholders benefit significantly from the success of the NSTI program, it is in the stakeholder's vested interest to keep the NSTI fully employed and incubating the best participant companies possible.

The review of ESPs was completed by Arrowhead Center in February 2008 as deliverable 1.3.2. In the report numerous different ESPs were identified including:

- NM Small Business Development Center (SBA, Score, NxLevel)
- MVEDA
- WESST Corp
- Technology Ventures Corporation
- Various Funding Organizations (Venture Capitalists/Angels)

Each of the listed ESPs provide different business services that are individually unique to the respective service provider or a duplication of services offered by NSTI. Unique items are used directly by the NSTI program and capacity is set by the ESP. Duplicate services are used for excess capacity to augment NSTI services when necessary. Also, due to their unparalleled demonstration and evaluation capabilities, some of the key stakeholders listed as technological advancement stakeholders also function as ESPs from a non-business related standpoint.

It is extremely important to understand the capabilities of each of the identified and emerging ESPs in order to provide the most comprehensive incubation services possible. In addition to identifying potential ESPs, Arrowhead Center is compiling a thorough index of services available through the ESPs and key stakeholders identified in deliverables 1.3.2 and 1.4.1. A basic outline of such services was compiled as a part of deliverable 1.3.2; however, a more complete index is being refined as part of the operational mechanics described in this report.

3.0 Step Two: Meetings with ESPs

The Arrowhead Center Technology Entrepreneur is engaged in active liaison between stakeholders, ESPs, and the NSTI program. The Technology Entrepreneur meets with contact personnel representing each ESP or stakeholder. The initial meeting and subsequent contact and correspondence form the foundation for the relationship between the NSTI and the ESP or stakeholder.

The main items of value that the NSTI seeks from ESPs and stakeholders are: increased access to capital and financing, business support arrangements, logistics, and physical analytical infrastructure such as laboratories and test facilities. Although basic business and technical assistance will serve as the core of the NSTI program with a focus on national security technology firms, for the purpose of demonstration and validation of technologies, specialized ESPs also will be required. Because demonstration and validation activities constitute an exchange of value, the descriptive text here is couched in terms of price and cost.

First, the Technology Entrepreneur advises the ESP or stakeholder in detail about the mission requirements of the NSTI program and enters into discussion with them about how services offered further mission objectives and mesh within mission parameters and requirements.

Because the essence of the interaction between the Technology Entrepreneur and the ESP or stakeholder is to eventually secure a good or service in support of the mission and offer compensation in return, the next important item the Technology Entrepreneur addresses is the structure of price and delivery logistics. This takes the form of an initial request for proposal (RFP) issued by the Technology Entrepreneur enumerating goods and/or services under specified terms. This action yields budgetary and logistical information that the Technology Entrepreneur uses to evaluate respective providers.

In some cases an ESP or stakeholder provides goods or services within a framework of contract providers, government contractors, or sub contractors. During the initial contact the Technology Entrepreneur also explores this structure and identifies where NSTI will interact with sub contractors. Additionally, the Technology Entrepreneur will thoroughly define this relationship.

The information and understanding gained at these meetings allow the Technology Entrepreneur to perform cost analysis across all of the variables and to eventually identify the highest value partners for price.

4.0 Step Three: Formalize ESP Relationships

The NSTI has formalized relationships with several members of its provider network and will continue to reach formal agreements where beneficial. Letters of cooperation are already in place with MVEDA, Dona Ana Community College (DACC)-SBDC, and SCORE. These three entities are all located in Las Cruces.

The NSTI will work to identify additional external service providers for its clientele. By reviewing and evaluating the business and technical assistance services on an ongoing basis, the NSTI will be providing the most useful services for its clientele.

Formalizing additional relationships with ESPs and stakeholders begins after the initial meetings described above. The initial agreements and the structure of interaction between NSTI and the ESP or stakeholder is described in detail by the Technology Entrepreneur in a memorandum of understanding (MOU). This understanding is the initial article defining the relationship.

When the Technology Entrepreneur identifies needed goods or services he issues a formal RFP. The RFP process begins when a call for bids is issued containing a detailed description of the goods or services, terms of delivery and payment, and response details. Next, all submitted proposals are evaluated for cost and technical merit. Finally, the contract is granted to the winning bidder. If the terms are acceptable to both parties, a contract is drafted and the transaction or operating relationship is formalized.

During all stages of this process, clear performance standards and accountability milestones are defined and monitored by the Technology Entrepreneur for compliance. This is an ongoing process and long-term performance measures are in place to assure continued compliance.

5.0 Step Four: Final Portfolio of Overall Services

All of the information regarding ESPs and stakeholders that is accumulated during the initial and formalization stages (described previously) is assigned to the portfolio of each individual organization in real time. Additionally, cost analysis information and historical performance information also is assigned to each portfolio along with information on capabilities and capacities as it is collected.

Because of the nature of modern information handling technology, these data also form a comprehensive index across many categories, and the Technology Entrepreneur maintains these data as a network directory when applications for the information arise.

6.0 Conclusion

Arrowhead Center and the Technology Entrepreneur, with review and guidance internally, and from the NNSA, will partner effectively with stakeholders and external services providers and through best practices will continue to move forward toward thorough completion of the mission.

By following the operations plan laid out previously, the NSTI program not only will be able to provide its program participants with the best incubation services possible, it also will cement itself into the business and national security technology climate throughout the region.

Appendix A: Support Network Development Matrix

Step	Part	Operations Plan for Support Network Development Matrix
1		<i>Review External Service Providers</i>
	A	DOE deliverables 1.3.2 and 1.4.1 already have been compiled and identified more than five different ESPs and 15 key stakeholders pertinent to the NSTI Program.
	B	Compile an appropriate index of applicable external services available through our various ESPs and key stakeholders in order to properly identify ways in which the NSTI program can maximize their benefits. This was touched upon in deliverables 1.3.2 and 1.4.1; however, a more complete and functional index needs to be compiled.
2		<i>Development of Referral and Implementation Mechanics</i>
	A	Identify an appropriate contact person at each key stakeholder and ESP that would be the most knowledgeable and appropriate person concerning referral and implementation mechanics.
	B	In order to develop functional referral and implementation mechanics regarding external services, it will be necessary for a representative of the NSTI program (most likely the Technology Entrepreneur) to contact key stakeholders and ESPs directly. This should be done either face to face or through teleconference, and is necessary so that both parties agreed on the mechanics that are mutually beneficial to both sides.
3		<i>Formalization of ESP Relationships</i>
	A	After the meetings described in Step 2 have taken place, the agreed upon mechanics will be communicated properly in a letter to the external party in order to dispel any misunderstandings concerning the meetings.
	B	Once all of the letters have been compiled they should be sent to each respective key stakeholder or ESP for approval and agreement.
4		<i>Compilation of Overall Services Portfolio</i>
	A	Once all ESP relationships have been formalized, Arrowhead Center will compile a formal portfolio of all the services it offers to program participants both internally and externally.
	B	This portfolio then can be distributed for marketing purposes to potential program participants, key stakeholders, potential ESPs, and to future sources of funding.